GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:3989
ANSWERED ON:09.12.2016
Joint Venture Norms for Defence PSUs
Hari Shri G.

Will the Minister of DEFENCE be pleased to state:

(a) whether the Government has scrapped separate joint venture norms for Defence Public Sector Undertakings (PSUs);

(b) if so, the details thereof;

(c) whether the move will provide a level playing field to meet the goal of indigenization and self-reliance in defence sector; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE (DR. SUBHASH BHAMRE)
IN THE MINISTRY OF DEFENCE
????? ????? ?????? (??. ????? ?????)

(a) Yes, Madam.

(b) In view of the fact that the guidelines issued from time to time by the Department of Public Enterprises (DPE) and Ministry of Finance (MoF) are already in force and uniformly applicable to all Central Public Sector Enterprises (CPSEs) on Joint Venture (JV) formations; it was felt that there is no need for separate set of guidelines for JV formations in respect to Defence Public Sector Undertakings (DPSUs). Accordingly the Government have abolished the "Guidelines for establishing Joint Venture (JV) Companies by Defence Public Sector Undertakings" notified on 17th February 2012 vide Ministry of Defence notification 18(4)/GC/2014/Dir(P&C)/149, dated 23rd August 2016.

(c) The Defence Procurement Policy lays special emphasis on promoting Indigenous Design, Development & Manufacturing of goods and services in defence sector. Uniform set of rules governing joint venture formation will promote transparency and ensure level playing field for all entrepreneurs.

(d) As per (c).

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